This order supercedes prior recording The order is being re-recorded to correct Exhibits-attached ---

100003092

-----**11000197**9

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under: CODE OF VIRGINIA § 45.1-361.26

VIRGINIA:

BEFORE THE GAS AND OIL BOARD

APPLICANTS:

CNX Gas Company LLC on behalf of Hurt McGuire Land Trust and Sylvia A. Shelton Byrd DOCKET NO.

98-0324-0626-07

and Curtis Stilwell in Tract 4.

RELIEF SOUGHT:

Issuance:

A Supplemental Order for Disbursement of Escrowed Funds Action: Amending Prior Orders Affecting Drilling S-36.

a portion of Tract 4

(Referenced herein as "the Subject Drilling Unit")

Location:

Buchanan County, Virginia

#### **Action Details:**

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit S-36 by Tract Subaccounts;
- (2) To provide each applicant, in simple terms, a complete month over month Royalty Accounting of unit production, costs, taxes and proceeds, depicting variables used in the calculation of royalty payments to the unit escrow account.
- (3) To disburse unit funds to the Applicants, in accordance with their Unit Ownership Interests relative to those funds deposited by the Unit Operator into Subject Drilling

#### REPORT OF THE BOARD FINDINGS AND ORDER

- Hearing Date and Place: This matter came on for final hearing before the Virginia Gas and Oil Board (herein 1. "Board") at 9:00 a.m. on September 21, 2010 at the Russell County Government Complex, Conference Center at 139 Highland Drive, Lebanon, VA
- Appearances: , Mark A. Swartz, Esq. SWARTS Law Offices PLLC appeared for the Unit Operator; and Sharon 2. M.B. Pigeon, Assistant Attorney General, was present to advise the Board.
- Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 et seq., and in particular Va. Code §§ 45.1-3. 361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract sub accounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract sub accounts. The Board finds that: (1) while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it does not have jurisdiction to interpret agreements by and between the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, (3) pursuant to Va. Code § 45.1-361.22.A.5, the Board does have jurisdiction and authority to disburse funds from the Escrow Account provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein.

#### 4. Prior Proceedings:

- 4.1. (a) On March 24, 1998 the Board executed its order pooling interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code SS 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Buchanan County on May 14, 1998, Instrument Number 980001158. The Board executed its Supplemental Order Regarding Elections that was filed with the Clerk on June 15, 1998, Instrument Number 980002431.
  - 4.1.1 The Board executed it Supplemental Order -01 regarding a Modification of the Pooling Order and making additions and corrections from the unit operator; filed with the Clerk on May 3, 2000, Instrument Number 000001322.
  - 4.1.2 The Board executed it Supplemental Order -02 regarding a Modification of the Pooling Order and making additions and corrections from the unit operator; filed with the Clerk on January 31, 2000, Instrument Number 000000242. The Board executed a Supplemental Order Regarding Elections to the pooling modifications in September, filed with the Clerk on May 3, 2000, Instrument Number 000001325. (Hereafter all orders are collectively referred to as the "Pooling Orders").
  - 4.1.3 On January 20, 2004, the Board executed its order pooling (re-pooling) interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code SS 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Buchanan County on April 2, 2004, Instrument Number 040001009 (hereafter all orders are collectively referred to as the "Pooling Orders").
  - 4.1.4 On May 16, 2006, the Board executed its disbursement order VGOB 98-0324-0625-04 in the Subject Drilling Unit for certain parties of the Thomas Stilwell Heirs and the Albert Ball Heirs under a split agreement with Hurt McGuire Land Trust. The Disbursement Order and exhibits were filed with the Clerk of the Circuit Court of Buchanan County on September 26, 2006, Instrument Number 060003145.
  - 4.1.5 On April 21, 2009, the Board executed its disbursement order VGOB 98-0324-0625-05 in the Subject Drilling Unit for certain parties (4) of the Linkous Horn Heirs and (6) of the Thomas Stilwell Heirs under a split agreement with Hurt McGuire Land Trust. The Disbursement Order and exhibits were filed with the Clerk of the Circuit Court of Buchanan County on August 4, 2009, Instrument 090002347. Subsequently, an additional order for the -05 Disbursement was recorded superceding the August 4, 2009 recordation with corrections in the disbursement percentages and payments.
  - 4.1.6 On March 12, 2010, the Board executed its disbursement order VGOB 98-0324-0625-06 in the Subject Drilling Unit for four (4) parties of the Linkous Horn Heirs and Theodore Stilwell of the Thomas Stilwell Heirs under a split agreement with Hurt McGuire Land Trust. The Disbursement Order and exhibits were filed with the Clerk of the Circuit Court of Buchanan County on June 10, 2010, Instrument 100001525.
- 4.2 To the extent claims to the Gas were in conflict, pursuant to Va. Code S 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Orders (herein "Escrow Account"). According to the Pooling Orders and testimony, the coal estate ownership interests of Hurt McGuire Land Trust; and the gas ownership interests of Sylvia A. Shelton Byrd and Curtis Stilwell in Tract 4 in the Subject Drilling Unit were in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3 The Unit Operator's Miscellaneous Petition regarding a portion of tract 4, a copy of which is attached to and made a part hereof, states under oath that Hurt McGuire Land Trust and the Applicants have entered into a royalty split agreements and by the terms of the agreements regarding these tracts escrowing regarding these individual conflicting claims is no longer required for these parties.

- 4.4 The Unit Operator gave notice to Hurt McGuire Land Trust and the applicants that the Board would consider its disbursement authorization at its hearing on September 21, 2010 and consider whether to: (1) amend the Pooling Order to provide for the disbursement a portion of funds on deposit in the Escrow Account attributable to a portion of tract 4 identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to a portion of said Tracts 4 the interests of Applicants identified in the miscellaneous petition in the Escrow Account, and (3) continue the escrow account under this docket number because there are other parties under this order subject to continued payments in the escrow.
- 4.5 The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

#### 5. Findings:

#### 5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.

- 5.2 Applicant has certified and represented to the Board that:
  - (1) Hurt McGuire Land Trust and Sylvia A. Shelton Byrd and Curtis Stilwell in Tract 4, are the owners of the coal and gas acreage estate underlying a portion of Tract 4 of the Subject Drilling Unit;
  - (2) Net interests attributable and to be disbursed to Applicants are shown in Table 1,

		VGOB Approved Disbursement					
		VGOB-98-0324-0626-07	Fractional	Net	Royalty	Escrowed	Percent of
		UNIT S-36	Ownership	Acreage	Split	Acres	Escrowed Funds
			in Tract	in Tract	Agreement	Disbursed	Disbursed
		Table 1					
		A portion of Tract 4					
<u>ltem</u>	Tract	Disbursement Table					
	1						
<u> </u>	<del>                                     </del>	Total acreage in eserow before disbursement				24.5499	
	4	Tract 4 total acreage	7,57				
<u> </u>	1 3	Sylvia A. Shelton Byrd / 549 Jacks Creek Road, Raven, VA 24639	1/72	0.1051	50.0%	0.053	0,2141%
2	4	Curtis Stilwell / P.O. Box 2216. Cedar Bluff. VA 24609-2216	1/72	0.1051	50.0%	0.053	0.2141%
3	4	Hurt McGuire Land Trust / e/o Charles Green: PO Box 1067: Bluefield, VA 24605	combined 2/72	0.2103	50.0%	0.105	0.4283%
<u> </u>	-						
	1		_1	ı			1

#### 6. Relief Granted:

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting and Table 1 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order disburse funds for the unit and applicants detailed in Table 1 above.

Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of those applicants indicated in Table 1 be deposited by the Unit Operator into the Escrow Account, <u>and</u>, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed to continue the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

#### 7. Conclusion:

Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.

#### 8. Appeals:

Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. <u>Effective Date:</u> This Order shall be effective on the date of its execution.

DONE AND EXECUTED this, day of, 2010 by a majority of the Virginia Gas and Oil Board.
Buff C. Lanful
Bradley C. Lambert, Chairman  DONE AND PERFORMED this 3 day of 100., 2010 by an Order of this Board.
Dougt & Adury
David E. Asbury Jr., Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA )
COUNTY OF RUSSELL

Acknowledged on this \_\_\_\_\_ day of \_\_\_\_\_\_. 2010, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and David E. Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Notary Public #174394

Thours

My commission expires: \_09\_/\_30\_/\_2013\_

#### BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL DOCKET NO: VGOB 98-0324-0626-07

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING a portion of TRACT(S) 4 (2) AND AUTHORIZATION FOR DIRECT

HEARING DATE: September 21, 2010

PAYMENT OF ROYALTIES

**DRILLING UNIT: S-36** 

**BUCHANAN COUNTY, VIRGINIA** 

#### AMENDED MISCELLANEOUS PETITION

- 1. <u>Petitioner and its counsel:</u> Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, WV 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, SWARTZ LAW OFFICES, PLLC., 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
- 2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to a portion of Tract(s) 4 as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Hurt McGuire Land Trust and Sylvia A. Shelton Byrd and Curtis Stilwell
- 3. <u>Legal Authority</u>: Va. Code Ann. § 45.1-361.1 <u>et seq.</u>, 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.
  - 4. Type of well(s): Coalbed methane.
- 5. <u>Factual basis for relief requested:</u> Hurt McGuire Land Trust and Sylvia A. Shelton Byrd and Curtis Stilwell have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A, further, specifies how said royalties are to be divided and paid.
- 6. Attestation: The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC. PENITIONER

Anita D. Duty

Pooling Supervisor

CNX Land Resources, Inc.

2481 John Nash Blvd.

Bluefield, West Virginia 24701

Wash Quice



# 

1,	H. S. T. Group L.C. (1168.71 Acre Tract) – All Minerals Island Creek Coal Company/Consolidation Coal Company – Below Drainage Coal Leased Jewell Smokeless Coal Corporation – Above Drainage Coal Leased CNX Gas Company LLC - CBM Leased 2.25 acres 2.8125%
1A. 1B. 1C. 1D.	Betty Ferrell – Surface Kenneth Byrd – Surface Crobble Smith – Surface John Osborne – Surface
2,	G.W. Gillespie Esfate, Inc., et al – All Minerals Reserve Coal Properties Company – Coal Below Tiller Seam Leased Jewell Smokeless Coal Corporation – Coal in Jawbone Seam Leased CNX Gas Company LLC – CBM Leased 34.57 acres 43,2125%
2A. 2B. 2C. 2D. 2E. 2F. 2G. 2H. 2J. 2K.	John Horn Jr. — Surface Jessie Matney. — Surface Bobby J. Matney, et ux.— Surface Goldle Horn — Surface Helen Compton — Surface Melissa Vandyke — Surface Dexter Mounts — Surface Jimmy Lee Horn — Surface Ethel Burke — Surface Roby Horn — Surface Commonwealth of Virginia - Surface
3,	Hurt McGuire Land Trust (William P. Sfilwell 143.6 Acre Tract) - Coal Consolidation Coal Company - Below Drainage Coal Leased A. T. Massey - Above Drainage Coal Leased CNX Gas Company LLC - CBM Leased Linkous Hern Heirs - All Minerals except Coal CNX Gas Company LLC - Oil, Gas and CBM Leased (10%) 27.44 acres 34.3006%
3A. 3B. 3C. 3D. 3E. 3F. 3G. 3H. 3J. 3J.	Willard Osborne Surface Arlan Osborne Surface Danny McClanahan Surface Robert Trent Surface Clifford-Osborne Surface Robbie Smith Surface John Osborne Surface Betty Ferrell Surface Noah Keen, et al Surface Noah Keen Surface Commonwealth of Virginia Surface

#### CNX Gas Company LLC UNIT 5-36

Tract Identification

3C. Hurt McGuire Land Trust (William P. Stilwell 143.6 Acre Tract) - Coal Consolidation Coal Company - Below Drainage Coal Leased A. T. Massey - Above Drainage Coal Leased CNX Gas Company LLC - CBM Leased Linkous Horn Heirs - All Minerals except Coal CNX Gas Company LLC - Oil, Gas and CBM Leased (10%) Danny McClanahan - Surface (Oil and Gas Claimant) 7.61 acres 9.51250%

3C1.

Hurt McGuire Land Trust (William P. Stilwell 143.6 Acre Tract) - Coal
Consolidation Coal Gompany - Below Drainage Coal Leased
A.T. Massey - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
Linkous Horn Heirs/Thomas Stilwell Heirs - All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased (10%) If owned by Linkous Horn Heirs
CNX Gas Company LLC - Oil, Gas and CBM Leased (71/72) If owned by Thomas Stilwell Heirs
Danny McClanahan - Surface (Oil and Gas Claimant)
0.56 acres

Hurt McGuire Land Trust (William P. Stilwell 143.6 Acre Tract) - Coal Consolidation Coal Company - Below Drainage Coal Leased A. T. Massey - Above Drainage Coal Leased CNX Gas Company LLC - CBM Leased Thomas Stilwell Heirs - Surface and All Minerals except Coal CNX Gas Company LLC - Oil, Gas and CBM Leased (71/72) 7.57 acres 9.4625%

#### Docket # VGOB 98-0324-0626-07

#### List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit	Division of In 5-Right 15.69343%	nterest in 6-Right 10.34483%
ract #3, 27.44 acres				
COAL OWNERSHIP				
(1) Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	27.44 acres	34.3000%	5.38285%	3.54828%
OIL & GAS OWNERSHIP				
Linkous Horn Heirs, Devisees, Successors or Assigns	27.44 acres	34.3000%	5.38285%	3.54828%
(1) Arizona Osborne Heirs, Devisees, Successors or Assigns				
(a) Sydney Smith 1911 McVetty Road Salem, VA 24153	0.91 acres 1/30 of 27.44 acres	1.1433%	0.17943%	0.11828%
(b) Kenneth R. Osborne 848 Peyton Street Roanoke, VA 24019	0.91 acres 1/30 of 27.44 acres	1.1433%	0.17943%	0.11828%
(c) Martha Guilliams 1911 McVetty Road Salem, VA 24153	0.91 acres 1/30 of 27.44 acres	1.1433%	0.17943%	0.11828%
(2) Lydia Blankenship Heirs, Devisees, Successors or Assigns				
(a) Mary Jane Keen 1077 Longwall LN Raven, VA 24639	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%
(b) Shirley Keen 1685 Honaker Branch Road Raven, VA 24639	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%
(c) Research (c) Road Raven, VA 24639	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%
Royalty Split Agreements have been exect Royaltles attributable to this interest are c				
(d) 1101 Long Wall Lane Raven, VA 24639	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%
Royalty Split Agreements have been execu Royalties attributable to this interest are c				
P. O. Box 484 Keen Mountain, VA 24624	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%
Royalty Split Agreements have been executives attributable to this interest are c				8/31/2010

### Docket # VGOB 98-0324-0626-07 List of Conflicting Owners/Claimants that require escrow

			erest in		
	Acres In Unit	Percent of Unit	5-Right 15.69343%	6-Right 10.34483%	
	Nh. I	Harris T			
(f) Clifford Osborne Heirs, Devisees, Successors or Assigns					
1109 Moore Rd. Raven, VA 24639	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%	
Royalty Split Agreements have been execu Royalties attributable to this interest are cu					
(g) Box 12 Oakwood, VA 24631	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%	
Royalty Split Agreements have been execu Royalties attributable to this interest are cu	ted, but are in dispute. Irrently being escrowed.				
(h) 216 Plantation Drive Richlands, VA 24641	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%	
Royalty Split Agreements have been execu Royalties attributable to this interest are cu	rted, but are in dispute. urrently being escrowed.				
P. O. Box 541 Keen Mountain, VA 24624	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%	
Royalty Split Agreements have been execu Royalties attributable to this interest are co					
<ul><li>(j) William Osborne Heirs, Devisees, Successors or Assigns</li></ul>					
(j.1) Ruth Keen	(Deed of Gift to Joy	ce Lineberry Mae 3/	16/03)		
c/o Rose Mae P.O. Box 172 Cooleemee, NC 27014	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%	
Royalty Split Agreements have been exect Royalties attributable to this interest are co	uted, but are in dispute. urrently being escrowed.				
(k) John David Osborne Heirs, Devisees, Successors or Assigns					
1055 Mapleleaf Hollow Raven, VA 24639	0.25 acres 1/110 of 27.44 acres	0.3118%	0.04893%	0.03226%	
Royalty Split Agreements have been executive Royalties attributable to this interest are c	uted, but are in dispute. urrently being escrowed.				
(3) Henry Horn Heirs, Devisees, Successors or Assigns					

8/31/2010

### Exhibit E

### Unit S-36 Docket # VGOB 98-0324-0626-07

#### List of Conflicting Owners/Claimants that require escrow

				Division of Interest in		
		Acres in Unit	Percent of Unit	5-Right 15.69343%	6-Right 10.34483%	
, -	Репу W. Horn P.O. Box 33 Raven, VA 24639	0.91 acres 1/30 of 27.44 acres	1.1433%	0.17943%	0.11828%	
(b)	Larry M. Horn Heirs, Devisees, Successors or Assigns Heirs / Address Unknown	0.91 acres 1/30 of 27.44 acres	1.1433%	0.17943%	0.11828%	
(c)	Ivory Horn Heirs, Devisees, Successors or Assigns					
	(c.3) Tammy D. Boyd 1005 Kents Ridge Road Richlands, VA 24641	0.15 acres 1/180 of 27.44 acres	0.1906%	0.02990%	0.01971%	
	(c.4) Margaret E. Dye 784 Big Creek Road Richlands, VA 24641	0.15 acres 1/180 of 27.44 acres	0.1906%	0.02990%	0.01971%	
(4)	Thelma H. Osborne P. O. Box 33 Raven, VA 24639	2.74 acres 1/10 of 27.44 acres	3.4300%	0.53828%	0.35483%	
(7)	Earnest Horn Heirs, Devisees, Successors or Assigns					
(a)	Dorothy Hom Heirs, Devisees, Successors or Assigns (Heirs/Addresses Unknown)	2.74 acres 1/10 of 27.44 acres	3.4300%	0.53828%	0.35483%	
(10)	Carl Horn Heirs, Devisees, Successors or Assigns					
(a)	Marilyn Taylor PO Box 285 Pounding Mill, VA 24637	2.74 acres 1/10 of 27.44 acres	3.4300%	0.53828%	0.35483%	
Tract #4, 7.5	7 acres					
COAL	OWNERSHIP					
(1)	Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	7.57 acres	9.4625%	1.48499%	0.97888%	
<u>OIL</u> 8	GAS OWNERSHIP					
(1)	Thomas Stilwell Heirs, Devisees, Successors or Assigns	7.57 acres	9.4625%	1.48499%	0.97888%	
(7)	Sylvester Stilwell Osborne Heirs, Devisees, Successors or Assigns					
(a	Cora Amold Heirs, Devisees, Successors or Assigns					

### Docket # VGOB 98-0324-0626-07 List of Conflicting Owners/Claimants that require escrow

			Division of Interest in		
	Acres in Unit	Percent of Unit	5-Right 15.69343%	6-Right 10.34483%	
(a.1) James H. Arnold, widower 1134 Pump House Rd. Grundy, VA 24614	0.31542 acres 1/24 of 7.57 acres	0.3943%	0.06187%	0.04079%	

#### Docket #VGOB 98-0324-0626-07

#### List of Conflicting Owners/Claimants with Royalty Split Agreements

			Division of Interest in			
		Acres in Unit	Percent of Unit	6-Right 5.74713%	7-Right 16.34981%	Percent of Escrow
Tract #3, 27.	44 acres					
COAL	OWNERSHIP					
(1)	Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	27.44 acres	34.3000%	1.97127%	5.60798%	
OIL 8	GAS OWNERSHIP					
	us Horn Heirs, Devisees, essors or Assigns	27.44 acres	34.3000%	1.97127%	5.60798%	
(3)	Henry Horn Heirs, Devisees, Successors or Assigns					
(0	) Ivory Horn Heirs, Devisees, Successors or Assigns					
	(c.1) Patricia D. Horton 200 Birch Street Raven, VA 24639	0.1524 acres 1/180 of 27.44 acres	0.1906%	0.01095%	0.03116%	n/a
	(c.2) Neilie A. Maynard P.O. Box 296 Raven, VA 24639	0.1524 acres 1/180 of 27.44 acres	0.1906%	0.01095%	0.03116%	n/a
	(c.5) Danny W. Elder P.O. Box 748 Raven, VA 24639	0.1524 acres 1/180 of 27.44 acres	0.1906%	0.01095%	0.03116%	n/a
	(c.6) Robert G. Elder Lot #2, 200 Horton Crest Drive Richlands, VA 24641	0.1524 acres 1/180 of 27.44 acres	0.1906%	0.01095%	0.03116%	n/a
(5)	Joseph P. Horne 492 Gray Branch Road Cedar Bluff, VA 24609	2.7440 acres 1/10 of 27.44 acres	3.4300%	0.19713%	0.56080%	n/a
(6)	Nancy H. Stilwell 140 Rasnake Road North Tazewell, VA 24630	2.7440 acres 1/10 of 27.44 acres	3.4300%	0.19713%	0.56080%	n/a
(8)	Martha Smith P. O. Box 395 Max Meadows, VA 24360	2.7440 acres 1/10 of 27,44 acres	3.4300%	0.19713%	0.56080%	n/a
(9)	Sarah K. Day P. O. Box 208 Peterstown, WV 24963	2.7440 acres 1/10 of 27.44 acres	3.4300%	0.19713%	0.56080%	n/a
Tract #4, 7.5	57 acres					
COA	L OWNERSHIP					
(1)	Hurt McGuire Land Trust c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	7.57 acres	9.4625%	0.54382%	1.54710%	

#### Docket #VGOB 98-0324-0626-07

#### List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit		Percent of Unit	Division of Interest in 6-Right 7-Right 5.74713% 16.34981%		Percent of Escrow	
OIL 8	GAS OWNERSHIP	-				<u> </u>	
	as Stilwell Heirs, Devisees, ssors or Assigns	7.57 acres	9.4625%	0.54382%	1.54710%		
(1)	Beulah V. Osbome c/o Vivian Osbome, POA Box 500 Oakwood, VA 24631	0.94625 acres 1/8 of 7.57 acres	1.1828%	0.06798%	0.1 <del>9</del> 339%	n/a	
(2)	Raleigh Stilwell Heirs, Devisees, Successors or Assigns						
(a)	) Martha J. aka Juanita Stilwell P.O. Box 54 Raven, VA 24639	0.94625 acres 1/8 of 7.57 acres	1.1828%	0.06798%	0.19339%	r/a	
(3)	Paul Elmer Stilwell Heirs, Devisees, Successors or Assigns						
(a)	) Virginia N. Stilwell, widow 1106 Dial Road Raven, VA 24639	0.94625 acres 1/8 of 7.57 acres	1.1828%	0.06798%	0.19339%	n/a	
(4)	Arthur M. Stilwell P.O. Box 314 Raven, VA 24639	0.94625 acres 1/8 of 7.57 acres	1.1828%	0.06798%	0.19339%	n/a	
(5)	Exie Osborne Heirs, Devisees, Successors or Assigns						
	(a.1) Myrtle Smith Heirs, Devisees, Successors or Assigns						
	(a.1.1) Nancy Jackson P.O. Box 448 Doran, VA 24612	0.07885 acres 1/96 of 7.57 acres	0.0986%	0.00566%	0.01612%	n/a	
	(a.1.2) Darfene Ward 117 Franklin Avenue Richlands, VA 24641	0.07885 acres 1/96 of 7.57 acres	0.0986%	0.00566%	0.01612%	n/a	
	(a.2) Maxie Boyd Box 972 Raven, VA 24639	0.15771 acres 1/48 of 7.57 acres	0.1971%	0.01133%	0.03223%	n/a	
	(a.3) Ruth Osborne Smith Box 672 Doran, VA 24612	0.15771 acres 1/48 of 7.57 acres	0.1971%	0.01133%	0.03223%	n/a	
	(a.4) Judy Blankenship Box 221 Doran, VA 24612	0.15771 acres 1/48 of 7.57 acres	0.1971%	0.01133%	0.03223%	n/a	
	(a.5) John Osborne Box 6 Shortt Gap, VA 24647	0.15771 acres 1/48 of 7.57 acres	0.1971%	0.01133%	0.03223%	n/a	
	(a.6) Ida Proffitt Box 6 Shortt Gap, VA 24647	0.15771 acres 1/48 of 7.57 acres	0.1971%	0.01133%	0.03223%	n/a	
(6)	Flossie Stilwell Osborne Heirs, Devisees, Successors or Assigns						
		Page 2 of 4				8/30/2010	

8/30/2010

#### Docket #VGOB 98-0324-0626-07

#### List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit	Division of Interest In 6-Right 7-Right 5.74713% 16.34981%		ercent of 6-Right 7-Right	Parcent of Escrov
(a) Hubbard Osborne 3195 Osborne Mountain Rd. Raven, VA 24639	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(b) Linda S. Shelton P. O. Box 521 Pounding Mill, VA 24637	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(c) Jerline Davis 118 Coronado Road North Tazewell, VA 24630	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(d) Arlin W. Osborne	Transferred interest to d.1 p	oer deed dated June	18, 2009			
(d.1) Waldon Darrell Clifton PO Box 169 Richlands, VA 24641	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(e) Jackie D. Osborne 1995 Altizer Road Raven, VA 24639-1995	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(f) Daniel J. Osborne 1068 Harvest Moon Rd. Raven, VA 24639	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	r√a	
(g) Sylvia A. Shelton Byrd 549 Jacks Creek Road Raven, VA 24639	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.02062%	0.01360%	0.214	
(h) Marvin J. Osborne P. O. Box 1607 Cedar Bluff, VA 24609	0.10514 acres 1/72 of 7.57 acres	0.1314%	<b>0</b> .00 <b>7</b> 55%	0.02149%	n/e	
(i) Lois Casey 134 Robert St., Lot 8 Richlands, VA 24641	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
<ul><li>(7) Sylvester Stilwell Osborne Heirs, Devisees, Successors or Assigns</li></ul>						
(b) Leonard C. Stilwell P. O. Box 932 Raven, VA 24639	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(c) Jay C. Stilwell Heirs, Devisees, Successors or Assigns						
(c.1) Connie Stilwell, widow P. O. Box 723 Raven, VA 24639	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(d) Wanda Hagy Box 1738 Richlands, VA 24641	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(e) Bessie Lowe 1082 Riverside Drive Raven, VA 24639	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(f) Theodore Stilwell HC66 Box 112A Whitewood, VA 24657	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
	Pogo 2 of 4				8/30/2010	

#### Docket #VGOB 98-0324-0626-07

#### List of Conflicting Owners/Claimants with Royalty Split Agreements

		Acres in Unit	Percent of Unit	Division of Interest in 6-Right 7-Right 5.74713% 16.34981%		Percent of Escrow	
(g)	Curtis Stilwell P.O. Box 2216 Cedar Bluff, VA 24609-2216	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.02062%	0.01360%	0.2141%	
(8)	Charlie Stilwell Osborne Heirs, Devisees, Successors or Assigns						
(a)	Bernadine R. Lisburg 1418 First Avenue South Fargo, ND 58103	0.31542 acres 1/24 of 7.57 acres	0.3943%	0.02266%	0.06446%	n/a	
(b)	Gladys E. Pollert 1121 29 Street NW Fargo, ND 58102	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(c)	David W. Stilwell 507 E. Minnesota #107 Rapid City, SD 57701	0.10514 acres 1/72 of 7.57 acres	0.1314%	<b>0</b> .00755%	0.02149%	n/a	
(d)	Thomas H. Stilwell 27 Horseshoe Trailer Ct. Horace, ND 58047-5718 (Bad Address)	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
(e)	Quentin A. Stilwell P. O. Box 154 Rhame, ND 58651	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	
<b>(f)</b>	) Daniel J. Stilwell D77 El Rancho Trailer Ct. Mandan, ND 58554	0.10514 acres 1/72 of 7.57 acres	0.1314%	0. <b>007</b> 55%	0.02149%	n/a	
<b>(</b> g)	) Bernice R. Lamb 2124 County Road 116 International Falls, MN 56649	0.10514 acres 1/72 of 7.57 acres	0.1314%	0.00755%	0.02149%	n/a	

## Exhibit A Tract-by-Tract Escrow Calculation Account Balances as of 7/31/10

#### Unit \$36 VGOB 98-0324-0626-07 Acres Escrowed: 24,549890

Owners	Tract#	Acres	Owner Acres	Interest	Owners' Percent of Escrow (50%)	Amount Due Owners \$266,649.50
Hurt McGuire Land Trust - Coal	,	0.52569			0.4283%	\$1,141.97
Thomas Stilwell Heirs - O&G	4 _	<u>7.57</u>		[		
Sylvia A Shelton Byrd			0.10514	1/72	0.2141%	\$570.98
Curtis Stikvelt			0.10514	1/72	0.2141%	\$570.98

Wells contributing to the escrow account:

S36

1967FLMENT #10000000% ALCOHOED LA THE CLERK & OFFICE OF SUCKENAN COUNTY ON ACVEMBLE 174 2010 AT 11:44AF DEVERTE OF TILLERY CLERK MELVADOR & 11 SED

INSTRUMENT #110001979
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 11, 2011 AT 02:33PM

BEVERLY S. TILLER, CLERK RECORDED BY: GGB

